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TAGS: <u>PGOV</u> <u>IT</u>

SUBJECT: ITALY: MINISTER OF JUSTICE SUBMITS RESIGNATION

Classified By: Acting Political Minister Counselor R. Jonathan Cohen for reasons 1.4 (b) and (d).

SUMMARY

11. (C/NF) Minister of Justice Clemente Mastella submitted his resignation January 16 after prosecutors ordered the provisional house arrest of his wife, also a prominent politician. PM Prodi quickly rejected his resignation. It is unclear whether Mastella will insist on resigning, though an official in his party said the party will absolutely not withdraw its support for the governing majority in parliament. If Mastella's resignation sticks, it would further destabilize Prodi's already weak coalition government, possibly to the breaking point. END SUMMARY.

WIFE'S ARREST WARRANT PROVOKES MOJ'S RESIGNATION

12. (U) On January 16, Prosecutors in the southern region of Campania issued a provisional warrant for the house arrest on corruption charges of Campania Regional Assembly President Sandra Lonardo, the wife of Minister of Justice Clemente Mastella (UDEUR), and thirty other co-conspirators. In a dramatic response, Mastella resigned. PM Romano Prodi quickly rejected the resignation, but it is unclear whether Mastella will insist. UDEUR Parliamentary Group Leader in the Senate Tommaso Barbato is quoted in the press saying that UDEUR has absolutely no intention of withdrawing its support for the center-left Union coalition.

MASTELLA'S BATTLES WITH THE MAGISTRACY

- 13. (SBU) Mastella has frequently fought with Italy's famously independent magistracy during his nineteen-month term as Minister of Justice: he championed judicial reform which many magistrates claim infringes on their autonomy; he has pushed for tighter controls on prosecutor-run wire tapping; and he came under harsh criticism for possible conflict of interest in late 2006 after he recommended the removal of a specific magistrate in a corruption investigation involving himself and Prodi.
- ¶4. (C/NF) Former PM Berlusconi (and even some less partisan observers) has long accused Italy's magistracy of a far left political bias. However, after magistrates began investigating FM Massimo D'Alema and other prominent left wing politicians in 2006 (including leaking telephone transcripts to the press), the Prodi government began discussing judicial reform in earnest. D'Alema told the Ambassador January 15 that Italy's "unaccountable magistracy"

is among the biggest problems confronting the country. A contact in Forza Italia told Poloff her party believes the arrest warrant could be retaliation against Mastella. The warrant was issued the same day Mastella was scheduled to give a report to parliament on the state of the justice sector.

COMMENT

15. (C/NF) Mastella is well known for employing brinkmanship to achieve political objectives, and by offering his resignation he has already received a strong vote of confidence from Prodi that some contacts say he will use as leverage on electoral reform. Barbato's comment that UDEUR would not abandon the majority should be reassuring to Prodi, though were Mastella to go through with his resignation, it could push Prodi's already weak coalition government over the edge. END COMMENT.